

House Bill 1381

By: Representative Chambers of the 81<sup>st</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Title 43 of the Official Code of Georgia Annotated, relating to professions and businesses, so as to require locksmiths to be licensed or registered by the Secretary of State; to provide definitions; to provide for bonds; to provide for bond requirements; to provide for suspension of license process and appeal; to provide for regulation; to provide for license fees; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Title 43 of the Official Code of Georgia Annotated, relating to professions and businesses, is amended by adding a new chapter to read as follows:

"CHAPTER 52

43-52-1.

On and after July 1, 2008, it shall be prohibited for any person to transact business in this state as a locksmith unless such person is licensed or registered as such by the Secretary of State.

43-52-2.

As used in this chapter, the term 'locksmith' means any person who:

- (1) Repairs and opens locks, makes keys, and changes lock combinations;
- (2) Disassembles locks, such as door locks, padlocks, and safe locks, and repairs or replaces worn tumblers, springs, and other parts;
- (3) Changes pin tumblers and inserts new pin tumblers into locks to change the combination;
- (4) Cuts new keys by code and duplicates keys using a key cutting machine;
- (5) Installs panic hardware;

- (6) Moves lock picks in cylinders to open door locks without keys;
- (7) Keeps records of key codes, locks, and keys;
- (8) Installs new locks and door closers and repairs and services door closers; or
- (9) Holds himself or herself out as a locksmith.

43-52-3.

(a) Each licensed locksmith shall provide the Secretary of State with a bond, and such bond shall meet the requirements of subsection (b) of this Code section. Except as otherwise provided in subsection (b) of this Code section, the Secretary of State shall not license or register any locksmith unless the applicant or registrant provides the Secretary of State with a bond.

(b) Bond requirements for locksmiths:

(1) Shall be continuous in nature and shall be maintained at all times as a condition of licensure;

(2) Shall be in the principal sum of \$25,000.00 or such greater sum as the Secretary of State may require; and

(3) Shall be for a term and in a form satisfactory to the Secretary of State, shall be issued by a bonding company or insurance company authorized to do business in this state and approved by the Secretary of State, and shall run to the State of Georgia for the benefit of any person damaged by noncompliance of a licensee with this chapter or with any condition of such bond. Damages under the bond shall include moneys owed to the Secretary of State for fees, fines, or penalties. Such bond shall be continuously maintained thereafter in full force. Such bond shall be conditioned upon the applicant or the licensee conducting his or her licensed business in conformity with this chapter and all applicable laws.

(c) As an alternative to a bond, an applicant or a licensee may supply an irrevocable letter of credit from a federally insured financial institution in form and terms acceptable and payable to the Secretary of State.

(d) Any person, including the Secretary of State, who may be damaged by noncompliance of a licensee with any condition of a bond or this chapter may proceed on such bond against the principal or surety thereon, or both, to recover damages.

(e) The Secretary of State may suspend or revoke an original or renewal license or registration on any ground on which it might refuse to issue an original license or registration or for a violation of any provision of this title or any rule or regulation issued under this title, including failure to provide fees on a timely basis, or for failure of the licensee or registrant to pay, within 30 days after it becomes final, a judgment recovered in any court within this state by a claimant or creditor in an action arising out of the

1 licensee's or registrant's business in this state as a locksmith or for violation of a final order  
2 previously issued by the Secretary of State.

3 (f) Notice of the Secretary of State's intention to enter an order denying an application for  
4 a license or registration under this chapter or of an order suspending or revoking a license  
5 or registration under this chapter shall be given to the applicant, licensee, or registrant in  
6 writing, sent by registered or certified mail or statutory overnight delivery addressed to the  
7 principal place of business of such applicant, licensee, or registrant. Within 20 days of the  
8 date of the notice of intention to enter an order of denial, suspension, or revocation under  
9 this chapter, the applicant, licensee, or registrant may request in writing a hearing to contest  
10 the order. If a hearing is not requested in writing within 20 days of the date of such notice  
11 of intention, the department shall enter a final order regarding the denial, suspension, or  
12 revocation. Any final order of the Secretary of State denying, suspending, or revoking a  
13 license or registration shall state the grounds upon which it is based and shall be effective  
14 on the date of issuance. A copy thereof shall be forwarded promptly by registered or  
15 certified mail or statutory overnight delivery addressed to the principal place of business  
16 of such applicant, licensee, or registrant.

17 (g) A licensee or registrant may, at the discretion of and with the consent of the Secretary  
18 of State, agree to a voluntary suspension of its license or registration for a period of time  
19 to be agreed upon by the parties. Such order of suspension shall be considered a final order  
20 and shall be forwarded to the licensee or registrant in the same manner as any other final  
21 order. Grounds for such a voluntary suspension shall be the same as provided in  
22 subsection (e) of this Code section, and the licensee or registrant may waive its right to an  
23 administrative hearing before issuance of the suspension.

24 (h) A decision of the Secretary of State denying a license or registration application,  
25 original or renewal, shall be conclusive, except that it may be subject to judicial review.

26 (i) Whenever a person subject to an order of the Secretary of State fails to comply with the  
27 terms of such order which has been properly issued, the Secretary of State upon notice of  
28 three days to such person may, through the Attorney General, petition the principal court  
29 for an order directing such person to obey the order of the Secretary of State within the  
30 period of time fixed by the court. Upon the filing of such petition, the court shall allow a  
31 motion to show cause why such motion should not be granted. Whenever, after a hearing  
32 upon the merits or after failure of such person to appear when ordered, it shall appear that  
33 the order of the Secretary of State was properly issued, the court shall grant the petition of  
34 the Secretary of State.

35 (j) Whenever the Secretary of State initiates an administrative action against a current  
36 licensee, the department may pursue that action to its conclusion despite the fact that a  
37 licensee may withdraw its license or fail to renew it.

1 (k) The Secretary of State may, by regulation, prescribe annual fees to be paid by licensees  
2 and registrants, which fees shall be set at levels necessary to defray costs and expenses  
3 incurred by the state in providing the examinations and supervision required by this  
4 chapter."

5 **SECTION 2.**

6 All laws and parts of laws in conflict with this Act are repealed.